

'96 PACK OUTLET RETAIL STRATEGY Program Objectives

The Retail Partners Marketing Plan

- **Bundle all RJR resources (Contracted and Non-Contracted) to represent RJR Total Value to the Retail Trade.**
 - Legitimizes current Field Sales approach in PM Exclusive outlets
 - Differentiates RJR Partners vs. Non-Partners
 - Simplifies the complicated collation of RJR programs currently necessary
 - Strengthens RJR sales pitch
- **Differentiate levels of Partnership within the Retail Partners Marketing Plan.**
 - Merchandising/Presence RDA's based on 3 Levels (1, 2, or 3)
 - Retail Accrual participation based on 3 Levels (1, 2, or 3)
 - Merchandising/Presence and Retail Accrual requirements operate independently*
 - Both program rewards are based on RJR Volume grid.

*Level 1 Merchandising/Presence is only exception in which participants may only qualify for Retail Accrual Level 1.

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Volume/Quality Objectives

- **Contracted Pack Outlets must cover adequate Cigarette Industry Volume (% CIV) to transition to Partnership approach.**
 - **58% CIV – National goal, all Pack Outlet Volume**
- **Contracted Universe must improve in quality to provide RJR maximum business-building and volume protection capabilities.**
 - **46% CIV at Levels 2 and/or 3**